

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 05/08/06		Item Number: <u>A-7</u>	
AGENDA ITEM: Consideration of a Budget Amendment and Acceptance of Work Performed by PCN3, Inc. and Authorize Filing a Notice of Completion for the Teen Center Remodel Project, P-819			
Contact Person/Dept: John Rivera/PW		Phone Number: (310) 253-6423	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: PCN3, Inc. (05/04/06), City Treasurer Crystal Alexander (05/04/06); Master Notification List (05/04/06)			
Department Approvals: Charles D. Herbertson (04/27/06); William LaPointe (05/04/06)		CAO Approval: Martin R. Cole for Jerry B. Fulwood (05/04/06)	
City Controller Approval: Marlee Chang (05/04/06)			

RECOMMENDATION:

Staff recommends that the City Council:

- 1) accept the work performed by the contractor, PCN3, Inc., and authorize filing a Notice of Completion for the Teen Center Remodel Project, P-819. It is also recommended that retention funds in the amount of \$35,511 be released to the contractor after the thirty-five day lien period.
- 2) approve a budget amendment to transfer \$7,361.56 from the El Marino Park Ceramics Hut Rehabilitation Project, (P-827) to the P-819 budget.

A four-fifths affirmative vote is required to amend the budget.

BACKGROUND:

On October 10, 2005 the City Council awarded a construction contract to PCN3, Inc., (PCN3) for the Teen Center Remodel Project, P-819 (Project), in the amount of \$257,619 (Base Bid) and authorized the Public Works Director/City Engineer to negotiate to accomplish as many of the alternate bid items as possible in order to expend the entire budget amount. The scope of work consisted of the remodeling of the existing facility (former Senior Center) in order to enhance its use as a Teen Center. The proposed remodel included the following elements:

1. Bring the restrooms into ADA compliances.
2. Install new vinyl and carpet tile flooring over existing flooring.
3. Installation of sound attenuation materials to create a Music Room.

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4. Repair/patch and prepare for painting or coating all wall surfaces.
5. Install doors between the main Multi-Purpose Area and the Game Room; install a new Emergency Exit from Game Room to building exterior; and, install new Kitchen pass-through roll-up service window.
6. Install sign at front of building adjacent to Overland Avenue entrance.
7. Provide electrical upgrades/modifications related to Kitchen expansion and Restroom remodel, and upgrading certain building lighting operations.
8. Remove walls to convert former RSVP Offices into Music Room; expand Kitchen to incorporate an adjacent office; and, expand restrooms to achieve ADA compliance.
9. Install Recreation Equipment (sound system and television).
10. Construct partition walls to create a TV Room and secured Storage Room for tables and chairs.
11. Install safety laminate on interior Game Room windows.

The Fiscal Year 05-06 Capital Improvement Budget includes the Teen Center Remodel Project, P-819 (Project). The City was awarded a grant in the amount of \$262,500 for the Teen Center Remodel Project from the Murray-Hayden Urban Parks and Youth Service Grant. The City was required to provide matching funds in the amount of \$112,500 authorized from the General Fund by City Council for total grant project of \$375,000.

Subsequently staff determined the roof of the Teen Center was failing and could ultimately leak into the Teen Center rooms. The project scope was revised to include roof improvements and was added to Fiscal Year 05-06 Capital Improvement Budget and approved by City Council. With the \$60,000 for roof improvements, the total approved project budget was \$435,000.

Other actions taken by City Council regarding the Teen Center Remodel Project are as follows:

1. On May 31, 2005 the City Council authorized a professional services agreement with Wolcott Architecture - Interiors to provide architectural and construction management services for the Project.
2. June 13, 2005 the City Council approved the conceptual design plans and materials for the Project.
3. July 25, 2005 the City Council approved the Final Plans and Specifications and Authorized for Bids for the Teen Center Remodel Project.

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4. August 22, 2005 City Council authorized entering into a professional services agreement with Castlerock Environmental, Inc. to complete necessary environmental abatement work for the Teen Center Remodel Project.
5. October 24, 2005 City Council authorized a change order to the Castlerock Environmental, Inc., contract in the amount of \$12,250 for additional asbestos abatement of the Teen Center flooring.
6. December 5, 2005 and subsequently revised on January 30, 2006, City Council authorized use of Proposition 40 funds for the Teen Center Remodel Project roofing improvements. At the December 5, 2005 meeting, the City Council authorized a total allocation of \$50,000 (\$25,000 for Teen Center Floor Finishing/Janitor Room Relocation and \$25,000 for professional services/construction contingencies) to the Project; and, authorized the City Council Subcommittee (Councilmembers Corlin and Gross) to approve project changes up to the additional \$25,000. Subsequently, staff learned that the proposed flooring work would not be eligible for Proposition 40 Funds and that the roofing improvements would be considered more favorably by the State. On January 30, 2006, the Council authorized staff to submit an application for Proposition 40 per Capita Funds in the amount of \$50,000 for the Teen Center roofing improvements, which would increase to total approved project costs \$485,000.

DISCUSSION:

PCN3 began work on the Project in October 2005 and successfully completed the work and selected alternate bid items as required in the contract. However, during the course of construction, unanticipated building conditions and design issues were encountered. These unanticipated issues resulted in the need for the Public Works Department to issue thirty-four (34) change orders which have resulted in increased construction costs of \$62,886.86. Attachment No. 1 provides a table describing each change order and the associated costs. PCN3 successfully completed the change orders as required.

The unanticipated building conditions and design issues also resulted in the need for Wolcott Architecture - Interiors (Wolcott) to perform architectural design and construction management work beyond the anticipated scope of the original project. These unanticipated issues resulted in increased project design and construction management costs. The Council approval of the original Wolcott contract on May 31, 2005, authorizes the Public Works Director/City Engineer to increase the agreement by an amount not to exceed \$5,000, for a total of \$32,500. However the scale of the added design and construction management work has resulted in

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Wolcott requesting an additional \$9,482.81 for a revised total of \$36,982.81. The Public Works Director/City Engineer approved the additional \$5,000. The remaining additional amount is \$4,482.81. Attachment No. 2 is a copy of the April 19, 2006, invoice from Wolcott describing their services provided and the associated costs. Wolcott satisfactorily performed the additional tasks as required.

Wolcott; Park, Recreation and Community Services Department (PR&CS); and, Public Works Department (PWD) staff conducted construction management on the Project. Construction inspection services were performed by Building Safety Division, Fire Prevention, PR&CS, and PWD staffs. The Project inspections have been completed and accepted.

FISCAL ANALYSIS:

As stated previously, the City received a Murray-Hayden Urban Parks and Youth Service Grant under the Proposition 12 grant process. The grant is a \$262,500 reimbursement grant, with an additional \$112,500 in City matching funds. The City has allocated funds in the Capital Improvement Program (CIP) Budget as the Teen Center Remodel Project P-819, Accounts No. 41900819 and No. 42300819. The original total Project allocation was \$375,000.

The City Council subsequently revised the project scope to include \$60,000 for roof improvements and added the funds to the Fiscal Year 05-06 Capital Improvement Budget. With the addition of roof improvements, the total approved Project budget was \$435,000.

On December 5, 2005 and subsequently revised on January 30, 2006, the City Council authorized use of \$50,000 of Proposition 40 funds for the Project roofing improvements. With the addition of Proposition 40 roof improvements the total approved Project budget was \$485,000.

Funding Description	Amount of Funding
Murray-Hayden Urban Parks Grant	\$262,500
General Fund Grant Matching Funds	\$112,500
General Fund Capital Improvement Funds	\$60,000
Prop. 40 Per Capita Funds	\$50,000
TOTAL PROJECT Funds:	\$485,000

The City Council awarded the contract to PCN3 in the amount of \$257,619 (Base Bid) and authorized the Public Works Director/City Engineer to negotiate to accomplish as many of the alternate bid items as possibly in order to expend the

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complete project amount. Three alternate bid items were accomplished (A2 Kitchen Windows; A6 New Ceiling Tiles; and, A9 Retro-Fit Lighting Ballast) totaling \$34,600. As a result of unanticipated building conditions, and design issues the Public Works Department issued thirty-four (34) change orders which have resulted in increased construction costs of \$62,296.96. The revised total PCN3 charges for the Project, including Base Bid, alternate bid items and change orders is \$354,515.96.

Wolcott's original contract to prepare the construction plans and specifications for the Project and provide construction management was \$27,500. The City Council's approval of the Wolcott contract also authorizes the Public Works Director/City Engineer to increase the agreement by an amount not to exceed \$5,000, for a total of \$32,500. However the scale of the added design and construction management work has resulted in Wolcott requesting an additional \$9,482.81 for a revised total of \$36,982.81.

REVISED Project Costs	Amount
Base Bid	\$257,619.00
Alternate Bid items	\$34,600.00
Change Orders	\$62,296.96
Wolcott A-I Design/Construction Management	\$36,982.81
Moving/Storage Furnish.	\$2,235.00
Signage	\$2,763.00
Recreation Equipment	\$26,634.79
Roof Rehabilitation	\$56,980.00
Asbestos Abatement – Change Order	\$12,250.00
Sub-Total Project Costs	\$492,361.56
Total Project Funds	\$485,000.00
Sub-Total Project Costs	(\$492,361.56)
TOTAL PROJECT DEFICIT	(\$7,361.56)

As a result of the Project change orders there is a budget deficit. Therefore, in order to sufficiently fund the final project cost, there needs to be a transfer of \$7,361.56 from another funding source. The PR&CS Director has advised PWD that there is currently \$7,361.56 in unexpended funds in the El Marino Park Ceramics Hut Rehabilitation Project, (P-827) that can be used on this project (a reduction in the scope of the Ceramics Hut Project is being proposed for the FY 06/07 budget). Staff recommends that the City Council approve a budget amendment to transfer \$7,361.56 to the project budget. **A 4/5th vote is required to approve the budget amendment.**

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The grant requires that all construction be complete and reimbursement paperwork finalized no later than June 30, 2009.

Asbestos remediation work in the interior remodel area and roof cost \$46,787.50, of which \$34,537.50 was funded by P-132, Building Repairs project funds (#42000132) and \$12,250 by Project funds.

Maintenance and operational costs for the Teen Center in fiscal year 05/06 are estimated to total about \$11,000 and are not anticipated to increase as a result of the remodeling project.

ATTACHMENTS:

1. April 25, 2006, PCN3, Inc. Change Order Table.
2. April 19, 2006, Wolcott Architecture – Interiors invoice.
3. Teen Center Space Plan & Room Legend.

MOTIONS:

That the City Council:

- 1) Accept the work performed by the contractor, PCN3, Inc., for the Teen Center Remodel Project, P-819 as complete;
- 2) Authorize the Public Works Director and City Engineer to sign and submit a Notice of Completion form to the Los Angeles County Recorder's Office;
- 3) Authorize the release of \$35,511 to PCN3, Inc., following the 35-day lien period;
- 4) Authorize an additional payment to Wolcott Architecture - Interior of \$4,482.81; and
- 5) Authorize a budget amendment to appropriate El Marino Park Ceramics Hut Rehabilitation Project, (P-827) funds in the amount of \$7,361.56 to the Project and transfer \$7,361.56 to project expenditure line item 42300819.720100 Teen Center Remodel Project.

A 4/5th vote is required to approve the budget amendment.